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COUNSEL TO THE FIRM
A. L. ZIMMER

December 15, 1989

CERTIFIED MAIL - RETURN RECEIPT REQUESTED Mr. Steven Siegel
Office of the Regional Counsel
U.S.E.P.A. - Region V
230 South Dearborn Street
Chicago, Illinois 60604

Re: NL Industries/Taracorp - Granite City, Illinois Site

Dear Mr. Siegel:

I have been retained by Imperial Smelting Corporation to respond to the inquiry of the United States Environmental Protection Agency concerning the NL Industries/Taracorp site in Granite City, Illinois ("site"). I understand from Mr. John Kelley's letter of November 28, 1989 that your agency believes that Imperial Smelting Corporation may have sent hazardous substances to the site for disposal or treatment.

Imperial Smelting Corporation ("Imperial") is a secondary melter of zinc and a primary alloyer of certain zinc items. As a small and entirely separate part of its business, Imperial brokered lead metal. It purchased lead and sold it to end users and to brokers. None of the lead sold by Imperial was generated by any of its operations.

Upon receipt of Mr. Kelley's letter of November 28, 1989, my client conducted a search of its files to determine what contact, if any, it had with the NL Industries/Taracorp site in Granite City, Illinois. Imperial found that between March 6, 1986 and March 9, 1989 it sold and shipped approximately 250 tons of lead to Taracorp Industries. This represents approximately ten (10) percent of its lead sales for the period. The other ninety (90) percent was sold to brokers. Currently, Imperial has an unfilled purchase order from Taracorp Industries. Taracorp's request for lead metal will not be filled until Imperial's status vis a vis the site is resolved.

MR. STEVEN SIEGEL

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The lead brokered by Imperial was shipped to Taracorp Industries in Granite City in fifty five gallon drums or gaylord boxes after first having been received by Imperial at its Chicago facility. The lead was sold to Taracorp Industries as a product to be used in Taracorp's manufacturing process. The lead was not sent to Taracorp for disposal or for treatment. Furthermore, the brokers who accounted for ninety (90) percent of Imperial's lead sales were always ready to accept all of Imperial's lead. The only reason Imperial sold to Taracorp Industries was that company's stated need for lead metal for its manufacturing process, not any need on the part of Imperial to get rid of waste product.

Because of the nature of Imperial's lead metal brokerage operation, the company believes that its limited contact with the NL Industries Taracorp site cannot be construed as sending hazardous substances to the site for disposal or treatment. Rather Imperial believes that it shipped product to Taracorp Industries. As a result of your agency's letter, Imperial Smelting has ceased all business with Taracorp Industries and will only resume selling product to Taracorp if the USEPA determines that Imperial has not sent hazardous substances to the site for disposal or treatment.

Any efforts you can make to clarify Imperial Smelting's status with respect to the site will be much appreciated.

Very truly yours,

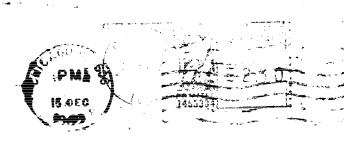
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